

## State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 13, 2014

Certified Return Receipt 7011 2970 0001 8829 0186

Atkinson-Leavitt Insurance Agency, Inc. P. O. Box 366 Orem, Utah 84059-0366

Subject: Cancellation of Surety Bond, Blue Mountain Crushing LLC, BMC Seep's Ridge Pit, S/047/0119, Uintah County, Utah

Dear Sir or Madame:

The Utah Division of Oil, Gas and Mining (Division) received your letter dated July 24, 2014, regarding cancellation of surety bond in the amount of \$62,200.00 effective October 25, 2014. The mine operator, Blue Mountain Crushing LLC, is being advised that a replacement surety must be provided by 60 days from the Division's receipt of the notice, September 28, 2014.

Under the terms of the above referenced surety bond, Fidelity and Deposit Company of Maryland remains liable for reclamation of the existing disturbance. If the surety is not replaced by September 28, 2014, the Division will immediately issue a cessation order to Blue Mountain Crushing LLC and demand that it commence reclamation. Failure of Blue Mountain Crushing to reclaim the mine by October 25, 2014, may result in the Division making demand on Fidelity and Deposit Company of Maryland Company to either proceed with reclamation or to pay to the Division the amount of the bond. If Fidelity and Deposit Company of Maryland fails to complete reclamation or make payment as requested, the Division may proceed to file a Request for Agency Action with the Board of Oil, Gas and Mining to seek forfeiture of the bond.

Please confirm that you remain responsible as surety for the reclamation of the existing disturbance. We also ask that you advise the Division immediately if there is any reason or if any conditions arise that may preclude you from continuing as surety for reclamation of the existing disturbance.



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Thank you for your cooperation. If you have any questions, please feel free to call me at 801-538-5261.

Sincerely,

Paul Baker

Minerals Program Manager

Hyph for PBB

PBB:pb

Enclosure Letter to operator dated August 12, 2014, and copy of surety

c: Alek Cusick, Blue Mountain Crushing LLC

Andy Bedingfield, SITLA (abedingfield@utah.gov)